

## Message Text

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44

ACTION EB-11

INFO OCT-01 ARA-16 IO-14 ISO-00 SSO-00 NSCE-00 USIE-00

INRE-00 OMB-01 TAR-02 SP-03 SWF-02 AGR-20 AID-20

CIAE-00 COME-00 INR-10 LAB-06 NSAE-00 OIC-04 RSC-01

SIL-01 STR-08 CIEP-02 CEA-02 AF-10 EA-11 EUR-25

NEA-14 NSC-07 SS-20 L-03 PA-04 PRS-01 DRC-01 /220 W

----- 125513

O R 221706Z JUN 74

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC IMMEDIATE 2368

DEPT OF TREASURY IMMEDIATE

INFO USMISSION USUN

USMISSION GENEVA

LIMITED OFFICIAL USE MEXICO 5289

E.O. 11652: N/A

TAGS: EGEN, UNCTAD

SUBJECT: UNCTAD CHARTER OF ECONOMIC RIGHTS AND DUTIES

1. AT GROUP B MEETING JUNE 21 CANADA INTRODUCED FOLLOWING TEXT ON MULTINATIONALS: QUOTE EVERY STATE HAS THE RIGHT TO REGULATE AND SUPERVISE TNC'S OPERATING WITHIN ITS NATIONAL JURISDICTION AND TO TAKE MEASURES TO ENSURE THAT SUCH CORPORATIONS COMPLY FULLY WITH ITS LAWS, RULES AND REGULATIONS.

TNC'S ARE SUBJECT TO THE LOCAL LAW OF THE HOST STATE JUST AS ANY OTHER NATURAL OR JURIDICAL PERSON. THEY ARE UNDER THE OBLIGATION, IN RESPECT OF THEIR ACTIVITIES WITHIN THE HOST STATE, FULLY TO OBSERVE ITS LAWS, AND, AS GOOD CORPORATE CITIZENS, TO CONFORM IN SUCH ACTIVITIES TO THE HOST STATE'S NATIONAL ECONOMIC AND SOCIAL POLICIES.

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EACH STATE IS FREE, IN THE EXERCISE OF THIS SOVEREIGN

RIGHT, AND FOR REASONS OF NATIONAL INTEREST, TO ENACT MEASURES OF PARTICULAR APPLICATION TO FOREIGN TNC'S. THESE MEASURES SHOULD, HOWEVER, APPLY EQUALLY TO ALL SUCH TNC'S, SHOULD REFLECT THE PRINCIPLE OF EQUITY, AND SHOULD OBSERVE ANY RELEVANT OBLIGATIONS TO OTHER STATES. UNQUOTE

2. AMENDMENTS PROPOSED BY U.S.AND ACCEPTED BY CANADA LED TO FOLLOWING REVISIONS THIRD THROUGH FIFTH SENTENCES:

QUOTE THEY (TNC'S) ARE UNDER THE OBLIGATION, IN RESPECT OF THEIR ACTIVITIES WITHIN THE HOST STATE, FULLY TO OBSERVE ITS LAWS AND TO BEHAVE AS GOOD CORPORATE CITIZENS.

EACH STATE IS FREE, IN THE EXERCISE OF THIS SOVEREIGN RIGHT, AND FOR REASONS OF NATIONAL INTEREST, TO ENACT MEASURES APPLYING TO TNC'S. THESE MEASURES SHALL APPLY EQUALLY TO ALL SUCH TNC'S, SHALL CONFORM TO THE PRINCIPLE OF EQUITY, AND SHALL OBSERVE ANY RELEVANT OBLIGATIONS TO OTHER STATES. UNQUOTE

3. COMMENT: THIS FORMULATION DOES NOT INSURE NATIONAL TREATMENT, BUT THE SENSE OF THIS AND EARLIER MEETINGS (MEXICO 4884) WAS THAT WE COULD NOT HOPE TO WIN ON THIS ISSUE.

4. TEXT WILL NOT BE FORMALLY ADVANCED BY CANADA, BUT WILL BE GIVEN TO THE AUSTRALIAN DEL TO USE AS APPROPRIATE IN SMALL CASTANEDA WORKING GROUP ON PARA 2, 10 AND 11.

5. IN VIEW OF FOREGOING, IT WAS AGREED IN GROUP B THAT REVISED USDEL COMPRISE TEXT TO BE PUT TO CASTANEDA WOULD OMIT PARA ON MNCS. JOVA

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC CONDITIONS, POLICIES, LAW, ECONOMIC DEVELOPMENT, SOVEREIGNTY, COMMITTEE MEETINGS, SOCIAL CHANGE, PROPOSALS (BID)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 JUN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CollinP0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974MEXICO05289  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740164-0962  
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**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CollinP0  
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30 JUN 2005

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**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** UNCTAD CHARTER OF ECONOMIC RIGHTS AND DUTIES  
**TAGS:** EGEN, US, CA, MX, TNCAD  
**To:** STATE TRSY  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005